

# NJCFS NEWSLETTER

Office of Management and Budget  
Accounting Bureau

July 1999

Issue # 27

## **DUPLICATE VENDOR PAYMENTS**

The Office of Management and Budget (OMB) monitors agency vendor payments to identify any that might be duplicate payments issued in error. A potential duplicate payment is identified as a payment having the same vendor identification number, dollar amount and payee reference information as another payment. A report listing possible duplicates, along with an instructional memorandum, is being released to State Fiscal Offices. Please follow the instructions carefully. The report will be updated and issued periodically.

The erroneous duplication of payments to vendors is a matter of concern to Treasury management since it may be indicative of inadequate procedures and internal controls. It is intended that the report will be an effective tool to safeguard against such occurrences.

Agencies making recurring payments to the same vendor in the same amount should make certain that the Payee Reference field is unique for each payment. This will prevent a valid payment from being identified as a possible duplicate on the OMB report. It is recommended that specific information such as the vendor's invoice number or the period (month/year) the payment is to be applied against be entered as a payee reference. This information is also helpful to the vendor in applying the payment since it appears on the check stub or ACH confirmation.

## **OMB WEB PAGE**

All issues of the NJCFS Newsletter can now be accessed online through the Office of Management and Budget (OMB) Internet web site. The format is the same as the hard copy distributed each quarter and can be printed in the same format. The Internet address for the OMB web site is:

<http://www.state.nj.us/treasury/omb/>

Once at the site, simply click on the "Newsletter" icon to access any issue that you may wish to research.

The OMB web site also now provides copies of the W-9/Vendor Questionnaire and Credit Authorization Agreement for Automatic Deposits (ACH Credits) in the "Forms" section.

## **TRAVEL TRANSACTION ISSUES**

With the delegation of full approval authority to agencies for Travel Module transactions, several issues have come to the attention of OMB staff monitoring those transactions. Following is a discussion of some problems regarding travel transactions that have affected a number of agencies:

- **Modifying Travel Authorizations after Advances Are Issued** - When TE or TH transactions that include amounts in the Hotel, Meals and Miscellaneous expense fields are used as a basis for issuing employee advances, these fields must not be reduced at a later date. When these

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fields are reduced to an amount below the amount that was issued as an employee advance, subsequent Travel Voucher Settlement transactions (TV-S) will generate an error message: "Advance Amount > Authorization." To correct this condition, the agency must first modify the TE/TH to increase it back to an amount equal to or greater than the amount of the advance issued. Only then can a TV settlement be processed successfully.

- **Canceling Travel AO's** -- Open TE's and TH's are converted to Agency Orders (AO's) at the end of each fiscal year by OMB. Agencies must be certain to **modify only the AO document** and not to reference the original TE or TH when processing decreases to close out unused balances. To do this, an AO transaction must be entered by the agency, using the same document number as the original AO. The action in the header of the document must be "M" to modify and the rest of the transaction must be entered as any other modification, making certain not to reference the TE/TH transaction. If the TE/TH number is referenced in error, the transaction will reactivate the TE/TH record. It will then be necessary to enter a modification of the TE/TH to cancel that open balance.
- **Travel Services Action Flag** -- The Travel Services Action Flag field on TE and TH transactions should

continue to be checked whenever the travel event includes air or rail fare to be obtained by the Travel Services Contractor. This is the case even when the agency contacts the Travel Services Contractor directly to obtain tickets.

When a "Y" is keyed in this field, a record is entered on the Travel Services Action Table (TSAC.) The information on this table is used by Treasury staff to confirm that the tickets are obtained and, later, to reconcile the ticket billings with the TE or TH transaction listed on the TSAC.

## CLAIMS

The Appropriations Handbook, in the General Provisions Section, gives the Director of Budget and Accounting authority to pay any claim not exceeding \$4,000 submitted by an agency, provided that each such claim is recommended for payment by the head of the department. This encompasses claims for damage to personal property of State employees, as well as that of patients and inmates at State facilities. These claims are to be entered by agency fiscal offices, on a Using Agency Payment Voucher (U1) charging Expense Object 5810. The transaction, along with supporting documentation, including the proper departmental approvals, must then be submitted to the OMB Accounting Bureau for the review and approval of the Director, OMB. Once approved, the claim is processed by the Accounting Bureau and notification is sent to the agency.

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Tort claims, those resulting from a court judgment, are paid on the authority of statute. Chapter 59, Section 11-1, New Jersey Statutes Revised, empowers the State Treasurer to pay any tort claim or claim for indemnification against the State not exceeding \$7500 on recommendation of the Attorney General or his designee. These claims must be paid through an Interdepartmental account, agency code "094." The claims are entered centrally by Treasury's Fiscal Office upon the recommendation of the deputy attorney general assigned to the department.

## **ACCOUNTING PERIODS – FY 2000**

A schedule of start and end dates for each accounting period in Fiscal Year 2000 is attached at the end of this newsletter. As a general rule, each accounting period ends at the close of business on the fifth working day of the following month. The exception is accounting period 12, which extends from June 1 through July 31.

## **Q&A.**

**Q.** How often should the Prompt Payment Interest Table (PPIN) be reviewed to determine if the violations are appropriate?

**A.** The PPIN Table should be reviewed by agencies daily. Each day violations will be generated and posted to the table overnight by the NJCFS check production cycle. The violations will appear as the system is made available each day. The key to the table is Agency, Organization

and Violation Date. Each day the submitting agency should key in their agency, organization and violation date to determine whether any new violations have been entered.

After a review of the table each day, if it is felt that a new violation should not generate interest, the agency fiscal officer should send a memo to Cheryl Schwartz, Accounting Bureau, giving specific reasons why the violation should be removed. This must be done within one week of the first appearance of the violation. Cheryl's address is OMB Accounting Bureau, 33 West State Street, PO Box 221, Trenton, NJ 08625. Her FAX number is 609-984-5210. All requests for the deletion of violations must be in writing.

**Q.** Now that my agency has full authority to process Travel transactions, we have noticed that after we apply all levels of approval to Travel Refund (TC) transactions, the Status changes to "SCHED", but does not seem to post overnight like other transactions. What do we have to do to get the transaction posted?

**A.** Unlike some NJCFS transactions, TC transactions **do not** automatically process overnight after they have been fully approved. Instead, agencies must enter the Wait Processing command – "W" to process the transaction online. The command can be entered at the same time that the final level of approval is entered, combining the commands as "AW."

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Agencies' failure to place the processing command on these transactions will keep them on the Suspense File (SUSF) in Scheduled status indefinitely and will not post to the proper ledgers and Travel open item tables. To rectify this situation, agencies can call up the scheduled transactions from the SUSF and apply the "W" command.

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## NJCFS ACCOUNTING PERIODS FY 2000

	JUL-99	AUG-99	SEP-99	OCT-99	NOV-99	DEC-99	JAN-00	FEB-00	MAR-00	APR-00	MAY-00	JUN-00	JUL-00
PERIOD 01-00	7/1/99 - 8/6/99												
PERIOD 02-00		8/1/99 - 9/8/99											
PERIOD 03-00			9/1/99 - 10/7/99										
PERIOD 04-00				10/1/99 - 11/8/99									
PERIOD 05-00					11/1/99 - 12/7/99								
PERIOD 06-00						12/1/99 - 1/7/00							
PERIOD 07-00							1/1/00 - 2/7/00						
PERIOD 08-00								2/1/00 - 3/7/00					
PERIOD 09-00									3/1/00 - 4/7/00				
PERIOD 10-00										4/1/00 - 5/5/00			
PERIOD 11-00											5/1/00 - 6/7/00		
PERIOD 12-00												6/1/00 - 7/31/00	